

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
Dixie Holdings, Inc.	07/31/2006
Dixie Chemical Company, Inc.	07/31/2006
DX Oilfield Products, Inc.	07/31/2006
DX Pharma, Inc.	07/31/2006

RECEIVING PARTY DATA

Name:	Wells Fargo Foothill, Inc., as agent
Street Address:	One Boston Place
Internal Address:	18th Floor
City:	Boston
State/Country:	MASSACHUSETTS
Postal Code:	02108

PROPERTY NUMBERS Total: 10

Property Type	Number
Patent Number:	6624128
Patent Number:	6300503
Patent Number:	6284901
Patent Number:	6176300
Patent Number:	6117823
Patent Number:	5852208
Patent Number:	5655597
Patent Number:	5456309
Patent Number:	5017732
Patent Number:	4925993

CORRESPONDENCE DATA

PATENT

500153050

REEL: 018268 FRAME: 0297

CH \$400.00 6624128

Fax Number: (212)593-5955

*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*

Phone: 212-756-2388

Email: daniel.angel@srz.com

Correspondent Name: Daniel Angel, Esq.

Address Line 1: 919 Third Avenue

Address Line 4: New York, NEW YORK 10022

ATTORNEY DOCKET NUMBER:

025983.0122

NAME OF SUBMITTER:

Daniel Angel, Esq. (025983.0122)

**Total Attachments: 5**

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## PATENT SECURITY AGREEMENT

This **PATENT SECURITY AGREEMENT** (this "Patent Security Agreement") is made this 31st day of July, 2006, among the Grantors listed on the signature pages hereof (collectively, jointly and severally, "Grantors" and each individually "Grantor"), and **WELLS FARGO FOOTHILL, INC.**, in its capacity as administrative agent for the Lender Group and the Bank Product Providers under the Credit Agreement referred to below (together with its successors and assigns in such capacity, "Agent").

### W I T N E S S E T H:

WHEREAS, pursuant to that certain Credit Agreement of even date herewith (as amended, restated, supplemented, renewed, extended, replaced or otherwise modified from time to time, including all schedules and exhibits thereto, the "Credit Agreement") by and among the lenders identified on the signature pages thereof (such lenders, together with their respective successors and permitted assigns, are referred to hereinafter each individually as a "Lender" and collectively as the "Lenders"), Agent, Dixie Holdings, Inc., a Delaware corporation ("Parent"), Dixie Chemical Company, Inc., a Delaware corporation ("Dixie Chemical"), and each of its Subsidiaries identified on the signature pages thereof as Borrowers (such Subsidiaries, together with Dixie Chemical, are referred to hereinafter each individually as a "Borrower", and individually and collectively, jointly and severally, as "Borrowers"), Lenders are willing to make certain financial accommodations available to Borrowers from time to time pursuant to the terms and conditions thereof;

WHEREAS, the members of the Lender Group under the Credit Agreement are willing to make the financial accommodations to Borrowers as provided for in the Credit Agreement, but only upon the condition, among others, that the Grantors shall have executed and delivered to Agent, for the benefit of the Lender Group and the Bank Product Providers under the Credit Agreement, that certain Security Agreement dated as of July 31, 2006 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement"); and

WHEREAS, pursuant to the Security Agreement, Grantors are required to execute and deliver to Agent, for the benefit of the Lender Group and the Bank Product Providers under the Credit Agreement, this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement or the Credit Agreement.

1. GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Each Grantor hereby grants to Agent, for the benefit of the Lender Group and the Bank Product Providers under the Credit Agreement, a continuing first priority security interest in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Patent Collateral");

(a) all of its Patents and rights in and to Patent Intellectual Property Licenses to which it is a party including those referred to on Schedule I hereto;

(b) all reissues, continuations or continuations-in-part, and improvements on, the foregoing; and

(c) all products and proceeds of the foregoing, including any claim by such Grantor against third parties for past, present or future infringement or dilution of any Patent or any Patent licensed under any Intellectual Property License.

2. SECURITY FOR SECURED OBLIGATIONS. This Patent Security Agreement and the Security Interest created hereby secures the payment and performance of all the Secured Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Patent Security Agreement secures the payment of all amounts which constitute part of the Obligations under the Credit Agreement and would be owed by Grantors, or any of them, to Agent, the Lender Group and the Bank Product Providers under the Credit Agreement, or any of them, whether or not they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving any Grantor.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to Agent, for the benefit of the Lender Group and the Bank Product Providers under the Credit Agreement, pursuant to the Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

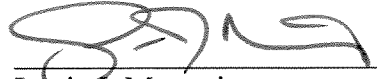
4. AUTHORIZATION TO SUPPLEMENT. If any Grantor shall obtain rights to any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, divisional, or continuation, of any patent, the provisions of this Patent Security Agreement shall automatically apply thereto. Grantors shall give prompt notice in writing to Agent with respect to any such new patent rights. Without limiting Grantors' obligations under this Section 5, Grantors hereby authorize Agent unilaterally to modify this Agreement by amending Schedule I to include any such new patent rights of Grantors. Notwithstanding the foregoing, no failure to so modify this Patent Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Agent's continuing security interest in all Collateral, whether or not listed on Schedule I.

5. COUNTERPARTS. This Patent Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Patent Security Agreement or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by electronic transmission shall be deemed an original signature hereto.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

**DIXIE HOLDINGS, INC.,**  
a Delaware corporation, as a Grantor

By:   
Name: Louis J. Manetti  
Title: President

**DIXIE CHEMICAL COMPANY, INC.,**  
a Delaware corporation, as a Grantor

By:   
Name: Louis J. Manetti  
Title: President

**DX OILFIELD PRODUCTS, INC.,**  
a Delaware corporation, as a Grantor

By:   
Name: Louis J. Manetti  
Title: President

**DX PHARMA, INC.,**  
a Delaware corporation, as a Grantor

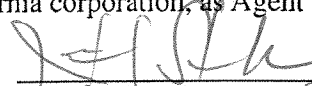
By:   
Name: Louis J. Manetti  
Title: President

WELLS FARGO FOOTHILL, INC.,  
a California corporation, as Agent

By:

Name:

Title:

  
JEFFREY STANEK  
SENIOR VICE PRESIDENT

PATENT SECURITY AGREEMENT

**SCHEDULE I TO**  
**PATENT SECURITY AGREEMENT**

**Patent Registrations/Applications**

<b>Patent No.</b>	<b>Title</b>	<b>Filing Date</b>	<b>Issue Date</b>	<b>Current Owner</b>
6,624,128	Water miscible composition containing a carboxylic acid diester and a fatty acid salt	March 30, 2001	Sept. 23, 2003	Dixie Chemical Company
6,300,503	Hydantoin intermediates for the synthesis of omapatrilat and methods for producing and using the same	June 7, 2000	Oct. 9, 2001	Dixie Chemical Company
6,284,901	Dinitrile intermediates for the synthesis of omapatrilat and methods for producing same	June 7, 2000	Sept. 4, 2001	Dixie Chemical Company
6,176,300	Heat exchange manifold	April 7, 1997	Jan. 23, 2001	Dixie Chemical Company
6,117,823	Method of using aliphatic carboxylic acid diesters as non-selective herbicides	Sept. 28, 1998	Sept. 12, 2000	Dixie Chemical Company
5,852,208	Method of producing compounds containing acyloxyalkoxy groups from alcohols	Aug. 30, 1996	Dec. 22, 1998	Dixie Chemical Company, Inc.
5,655,597	Heat exchanger	July 5, 1995	Aug. 12, 1997	Dixie Chemical Company
5,456,309	Heat exchanger	Nov. 15, 1993	Oct. 10, 1995	Dixie Chemical Company
5,017,732	Process for preparing chlorofluorocarbons . . . and products resulting therefrom	Feb. 16, 1990	May 21, 1991	Dixie Chemical Company
4,925,993	Process for preparing chlorofluorocarbons . . . and products resulting therefrom	June 14, 1989	May 15, 1990	Dixie Chemical Company

**Patent Licenses**

None.